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WASHINGTON TIMES
1 October 1986

Critics of swap accuse Reagan of caving in to Soviets

By Bill Gertz

Critics of the deal to free jourmaist Nicholas Daniloff denounced the Reagan administration yesterday for caving in to Soviet demands to release their spy, Gennady Zakharov, and to allow some of the 25 Soviet U.N. diplomats expelled last month to remain in the United States.

"[Secretary of State] George Shultz is a complete sellout and Ronald Reagan is behaving like a damn fool for permitting him to continue as secretary of state," Conservative Caucus President Howard Phillips said.

Mr. Phillips, a key conservative political leader, said the deal to free

Mr. Daniloff "gives the lie to everything Reagan seemed to stand for over the years."

Mr. Zakharov, a Soviet U.N. employee charged with espionage, yesterday pleaded "no contest" in a U.S. federal court, was sentenced to five years probation, ordered to leave the country. He departed the United States yesterday afternoon on a flight from Washington Dulles International Airport.

The arrangement was part of a larger U.S.-Soviet deal to free Mr. Daniloff.

Mr. Shultz, who is credited with negotiating the deal, defended the administration's decision to soften the expulsion order for the 25 Soviet U.N. diplomats.

The diplomats have been identi-

fied by U.S. officials as the Soviets' top intelligence agents in New York.

Mr. Shultz said some of the suspected spies were allowed to remain because they were "very useful" to Soviet Foreign Minister Eduard Shevardnadze.

The 25 diplomats initially had been ordered to leave the country by today under an administration directive to reduce the Soviet U.N. staff by 105 diplomats by 1988.

On Capitol Hill, Rep. Jack Kemp, New York Republican, called the deal "transparent" and said it would set a "terrible precedent."

"The unfortunate conclusion is that the trade-off really is Daniloff's freedom for the KGB's continued presence at the U.N.," Mr. Kemp said. "However we try to portray

what happened, the world sees that in return for Daniloff and two Soviet dissidents, we're releasing Zakharov, softening the spy expulsion order and holding a pre-summit summit in Iceland.

Georgetown University Professor Roy Godson, who specializes in intelligence affairs, said the negotiated release of Mr. Zakharov is likely to boost morale for KGB spies.

"Unfortunately many people, both in and out of government, will perceive that the Soviets will always get their man out, and this will improve the morale of the KGB and deflate the morale of the many dedicated American counterintelligence officers who have been seeking to neutralize the Soviet intelligence presence." Mr. Godson said.

Charles M. Lichenstein, a former U.S. official at the United Nations, said the administration, in agreeing to release Mr. Zakharov, has made a "very grave error."

"I think we have ended up the loser across the board," Mr. Lichenstein said. "Because of this deal, we are in effect treating people at the U.N. secretariat, like Zakharov, as if they were members of the Soviet Mission and the only recourse we have is to kick them out. They should be subject to the full force of law when they are caught with their hand in the cookie jar."

Anyone who believes the administration's claim that no connection exists between the release of Mr. Daniloff and Zakharov "would believe in the tooth fairy," Mr. Lichen-

stein said.

W. Raymond Wannall, former chief of FBI counterintelligence, said releasing Zakharov will crimp U.S. counterspy efforts against the Soviet Union.

"If we identify a true KGB operator and seek to prosecute him, all they have to do is bushwhack one of our people and rescue their spy," Mr. Wannall said.

Yakov Goirodetsky, a mathematician and human rights activist who left the Soviet Union in February, said, "it looks like the Americans have given in."

"The summit in Iceland is really unbelievable," Mr. Goirodetsky said. "To those of us who fought for human rights in the Soviet Union, such things are a real betrayal."